



March 18, 2015

Dear Governor,

Enclosed is a recent issue of my publication *The Hightower Lowdown* on the anti-democratic, secretive Trans-Pacific Partnership. This is not a partisan issue. This trade agreement affects our national sovereignty, as well as impacts our local and state laws, which is why I'm writing to you.

In case you're not familiar with the TPP: There are 29 chapters to the international trade deal, but only five deal with tariffs. It's the other 24 chapters that should concern us. Citizen trade groups have discovered that the laws of our states can be re-written by essentially unelected, secretive tribunals. Entities in member countries can challenge and overturn our local, state, and national laws by demonstrating that one of our laws or regulations might reduce its future profits.

Another disturbing fact surrounding this deal is that the TPP has been negotiated among the trade officials of the 12 countries in strict secrecy. Meanwhile, members of both parties in Congress have been shut out of not only the talks, but are being kept in the dark about most of the details about the agreement. Yet, some 600 corporate executives from around the world have been allowed inside to shape the "partnership."

Unfortunately, the media has been mostly absent from coverage on this topic. I hope you find the information in the publication useful and informative.

Thank you for your time.

Best Regards,

Jim Hightower

The



LOWDOWN

WRITTEN BY JIM HIGHTOWER

“[It’s] the largest corporate power grab you never heard of.”

—REP. KEITH ELLISON (D-MN), October 2013, sounding the alarm about the secretive Trans-Pacific Partnership.

It’s time to knock the Trans-Pacific Partnership off the “Fast Track”

New trade pacts create secret, pro-corporate tribunals that use their powers to eviscerate our democratic laws

WHEN I WAS JUST A TYKE, my momma warned me not to eat anything unless I knew where it came from. Sensible advice—so good that even Congress has acted on it.

In 2002, responding to public demand, lawmakers decided that you and I have a need and a right to know where the meat sold in supermarkets comes from. Thus, Congress enacted a simple and straightforward law called COOL (Country Of Origin Labeling), requiring meat marketers to tell us right on their packages whether the enclosed steak, pork chops, lamb shanks, chicken wings, etc., are products of the USA, Mexico, China, or Whereintheworldistan.

This is useful information that empowers us consumers. Whether you have health concerns about imported meat or just prefer to have your food dollars go to American farmers and ranchers, COOL lets each of us know the source so we can decide such matters for ourselves. And that is precisely why global agribusiness giants hate it. Foreign meat producers (especially the US food conglomerates that have moved their meat production and slaughtering operations to nations that pay low wages and/or aren’t fussy about health inspections) don’t want you knowing or deciding. They’ve been all over Washington officials, saying they want the #@&! labeling law repealed.

But who cares what they want? COOL is America’s law, and American courts upheld it when the agribusiness powers tried to strike it down. It’s also solidly supported by our people—a 2013 Consumer’s Union poll found that a whopping 90 percent of Americans favor the right-to-know label! That’s such an overwhelming majority that even the anti-consumer Republicans now in charge of Congress are not about to mess with it. So that’s that.

WARNING: Mind-exploding Outrage Ahead. Unfortunately, that’s not that. Unbeknownst to most people, a cabal of corporate and political elites (including Presidents Clinton, Bush II, and Obama) has stealthfully negotiated international trade deals during the past two-plus decades that have fabricated, piece by piece, what now amounts to a *privatized world government*. It’s a secretive, autocratic, plutocratic, bureaucratic government of, by, and for multinational corporations. Most astonishingly, it has been empowered **[Second warning: Take a deep breath before reading on]** to eviscerate laws and policies enacted by our own elected officials.

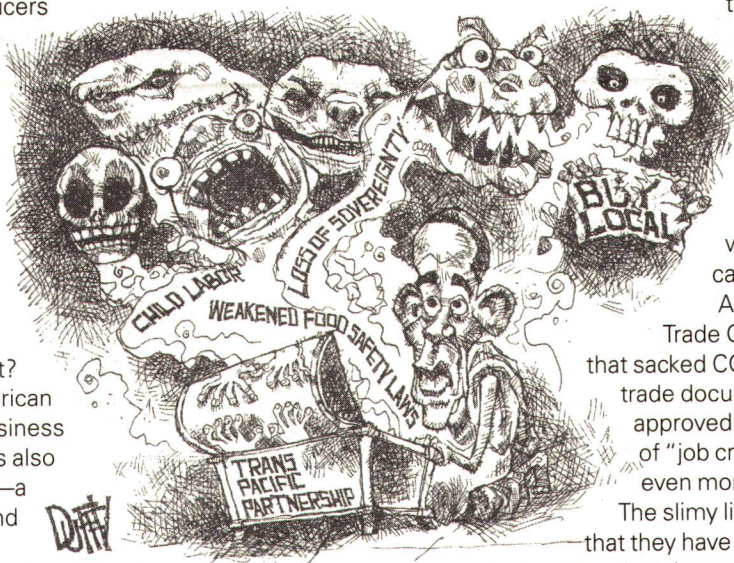
Embedded in these voluminous agreements are rules limiting what our domestic governments are permitted to do, plus new rights and privileges for corporations enforced through supranational closed-door tribunals. This adds up to a privately gated “government.” A corporation from a foreign country that has signed on to these deals can directly attack the real government in countries where it has a subsidiary. They can demand cash compensation from us taxpayers for any action by our government that they think harms their profit picture.

I realize that this sounds like something from a 007 spy fantasy. When I’ve spoken about it at various events, audiences are incredulous at first, looking at me with expressions that say, “That can’t be true. Can it?”

Alas, it’s all too real. And if the World

Trade Organization tribunals like the one that sacked COOL were not bad enough, such trade documents as NAFTA and CAFTA—all approved by our own legislatures in the name of “job creation”—give foreign corporations even more direct power to overturn our laws. The slimy little secret of these trade deals is that they have little to do with trade and everything

to do with enhancing corporate sovereignty over public governments and the interests of all other people—including labor, environmentalists, consumers, privacy defenders, et al. Here’s how the privatized government system works:



- **A so-called trade agreement** includes a process called ISDS (Investor-State Dispute Settlement). This is a devilish bit of legalistic hocus-pocus that elevates mere corporations to the status of “corporate states,” putting them on par with our nation states. It allows them to go to foreign tribunals staffed by corporate lawyers and sue governments to demand taxpayer compensation for a particular national, state, or local law—the offending law could be anything from an environmental regulation to a community’s “Buy Local” ordinance. (Under WTO rules, the complaining corporation gets its home nation’s government to sue on its behalf, while NAFTA and CAFTA rules allow corporations to challenge sovereign nations directly.)
- **Even if the law** that a foreign corporation wants struck down serves a clear and legitimate public interest and has been properly enacted, ISDS clauses decree that the corporation wins its case simply if it shows that the government’s law might restrict the “expected future profits” of corporate investors.
- **These corporate challenges** are not made in our nation’s courts, but in special, private tribunals created by the World Bank and the United Nations.
- **Each case is heard** and decided by three “tribunalists” drawn from a pool of private attorneys. These attorneys, especially those who routinely rotate between being judges in one case and being employed as a corporate lawyer in the next, tend to be biased in favor of corporate challengers. Even though tribunalists serve as judge and jury, they are subject only to the most minimal conflict-of-interest rules.
- **These faceless, bureaucratic tribunalists** are not accountable to any electorate. They decide cases behind closed doors, and their decisions are final—there is no appeal of their ruling to a real court. World Bank tribunals even keep their written rulings secret.
- **Only corporations** can initiate challenges, and only they and the defending government can be part of the proceedings—no intervention is allowed by affected parties. Workers, local residents, small business owners, et al., are locked out.
- **When a government loses a case**, its taxpayers must pay the corporation for its alleged “loss” of expected profits. To comply with a tribunal’s ruling, a losing government is expected to rewrite or eliminate its law.

Because most of these proceedings are totally secret, there’s no way ever to know how many cases are underway. At present, hundreds of multinational corporations are claiming “lost profits” in ISDS cases, including: **Veolia**, a French outfit, suing Egypt for increasing its minimum wage; **Philip Morris**, challenging anti-smoking laws in Australia and Uruguay; **Lone Pine Corporation**,

demanding compensation from Canada for imposing a moratorium on fracking in Quebec; **Vattenfall**, a Swedish corporation suing Germany for “expected profits” it might lose due to the country’s decision to phase out nuclear plants; and **Renco Group**, taking Peru before an ISDS tribunal for closing a grossly polluting smelter and enacting toxic waste regulations. Oh—and the USofA is being sued, too.

Keeping our COOL

No matter what my momma, Congress, and nine out of 10 of the American people say, the Brave New World of corporate correctness has ruled that elected officials in our Land of the Free are not allowed to let consumers know where their packages of meat originate. Big meat packers operating in Canada and Mexico had long been out to kill COOL, but with Congress unwilling to do the dirty deed for them, they pressured their national governments to haul our COOL into the jurisdiction of the WTO. In 2012, they scored a preliminary victory when a tribunal secluded in Geneva, Switzerland, decreed the law to be a “technical barrier to trade.”

In response, our government adjusted the wording of the labeling requirement in 2013, but a WTO compliance panel recently ruled that the change was not enough, declaring that we are still guilty of (get this) “imported meat discrimination.” The Obama administration has appealed one final time, but if we’re rejected again, Canada and Mexico will be permitted by the WTO’s trade authoritarians to “punish” us with trade sanctions on such goodies as the corn flakes and ketchup that US corporations sell to them.

In a nutshell, here’s what’s happening to us: **(1)** American consumers have a basic right to know where their meat comes from, but **(2)** that right has been pitted against American corn flakes and ketchup in a “trade war” that **(3)** is being forced upon us by a handful of corporations that produce, slaughter, butcher, and package meat outside of our country. Further, **(4)** under trade agreements, those foreign companies are allowed to challenge a US law that had been duly enacted for the people inside our country, so **(5)** America was sued in an obscure, autocratic, private organization created by and for corporate interests and headquartered 5,000 miles from us in Switzerland. Then, **(6)** that corporate “court” did indeed rule that the “profit right” of foreign meat packers is superior to our people’s basic right of self-determination.

The most disgusting part of this ridiculous assault on us is the shameful pusillanimity of the US Chamber of Commerce and America’s own big meat operators, corn refiners, scaredy-cat congressional leaders, and others. They’ve frantically been waving the white flag of surrender, bowing before this artificial structure of corporate supremacy and demanding that Washington sell out American consumers by repealing the law.

Holy Thomas Paine! Has the proud spirit of our historic Declaration of Independence been so sapped that we will succumb meekly to this corporate tyranny?

TPP: A real trade war

Shall we really make a global fuss and rally ‘round a meat label? For its own sake, no. But as a symbol of how far this privatized world government is taking us from our democratic rights and ideals—YES!

Don’t think that COOL is a solo shot. You wouldn’t know it from the lackadaisical coverage by the mass media, but a whole string of US laws have been knocked off by these global trade grifters in recent years. And now get ready to bolt to the barricades, for they’re about to come at us with the biggest, most ambitious scheme yet to supplant our people’s authority with corporate



“This trade deal has been kept behind doors that are locked, bolted, sealed in plastic wrap, and shrouded in a fog of official secrecy.”

Do Something!

Info, contacts, and action

These groups and coalitions have more information and ways for you to get involved. Click through their webpages and find out what you can do.

■ Citizens Trade Campaign:

www.citizenstrade.org

Search for “State Coalitions” to find fair trade groups in your area and sign up for email alerts.

■ Global Trade Watch:

www.globaltradewatch.org

■ Stop Fast Track coalition:

www.stopfasttrack.com

■ Stopthetpp.org

www.stopthetpp.org

authoritarianism: **THE TRANS-PACIFIC PARTNERSHIP.**

Dubbed "a corporate coup d'état" by Lori Wallach, the indefatigable leader of Public Citizen's Global Trade Watch group, TPP is truly a grandiose grab for power. It would create an unprecedented level of corporate rule over the economies, governments, and people of 12 Pacific Rim nations: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the US. Others are expected to join later, including China and South Korea.

During the past six years, the officials and trade specialists of the 12 countries have huddled in 24 rounds of intense, deeply secret negotiations, and now they're ready to spring their scheme on the unsuspecting public. *This year—possibly in March—Obama will hold a flashy press conference, launch a major PR campaign, and begin arm-twisting and horse-trading to try winning congressional ratification of the TPP coup.*

I have no clue why he is doing this to us, but I do know that we must defeat his raw deal of a trade bill. And we can, in large part because its contents are butt-ugly—but we have a job ahead of us to make sure that the American people see those contents. The danger posed by TPP's package of corporate favors can be summed up in a line from Bruce King, the former governor of New Mexico. He was a good guy, but he was given to mangling metaphors and goofing up literary references. One day, a couple of staffers urged him to support a particular bill, but Bruce thought it sounded pretty dicey, so he backed away, saying: "I don't know, boys—I'm afraid we're about to open a big box of Pandoras."

Goofy, yet well-put! Let's peek at a few of the Pandoras in the TPP box:

The trade hoax. This massive deal will be presented as a breakthrough for "free trade," but it only uses trade as a mask: Of the document's 29 chapters, only five address tariffs and other actual trade matters. The other 24 consist of various ways to "free" rapacious corporations from any accountability for the havoc they wreak and from any responsibility to the world community's common good.

Bye-bye "Buy American." TPP dictates that all corporations based in any member nation must be given equal access to the public dollars that any government spends on equipment, food, highway projects, etc. Thus, our own national, state, and local governments would no longer be free to give preference to suppliers of our choice. "Buy American" and "Buy Local" programs could be

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challenged by private corporations before private international tribunals, and such policies as "sweatshop free," "prevailing wage," and "Buy Green" that link the spending of our tax dollars to our people's values would be subject to challenge in tribunals.

Pampering repressive regimes. TPP would reward Vietnam with automatic duty-free access to the markets of every member country, despite Vietnam's abominable abuses of human and worker rights. Its government and industries have repeat-

edly been censured for their widespread use of forced child labor; maintaining an exploitative minimum wage that averages 56 cents an hour, condemning millions to a life of penury; and routinely jailing dissidents and activists. TPP not only forces our consumer markets to accept the products of Vietnam's abominations, but also forces producers in the other 11 nations to compete with such unscrupulous standards—thus inducing them to lower their own standards—in a no-win race to the bottom.

Wall Street rides again! If anyone doubts that the pact is a corporate boondoggle dressed in trade clothes, let them read its shameful financial provisions. "Too big to fail" laws, ensuring that the costs of a bank's collapse would be borne by investors, not taxpayers? Under TPP, giant global banks could scamper into private tribunals to grab billions of our tax dollars if they have to comply with such laws. Also, our nation's financial regulations would have to be "harmonized" to comply with TPP's extreme deregulation, re-creating the anything-goes Wall Street ethic that crashed the world economy in 2008. A Robin Hood Tax on volatile, super high-speed speculators? Nope. TPP specifically lets global banks challenge and kill these laws.

And so many more Pandoras, including: Greatly restricting any TPP nation from regulating fracking. Extending patent monopolies for **Big Pharma** so those ruthless giants can hold world drug prices (and profits) artificially high, while denying life-saving drugs to millions. Forcing our country to weaken **food safety standards** (including pesticide levels, toxic additives, GMOs, etc.) that are stricter than international standards—as most of ours are.

And let's not forget this: **the US can't change a comma in TPP's thousands of pages of retrograde rules unless every country agrees.** Once the US joins, future presidents and congresses must limit their policies to what's permitted in the agreement. And if a country decides to say "adios" and get out, there's a "hangover" clause that extends the corporate rights to raid our treasuries for another decade.

The **LOWDOWN** hightowerlowdown.org

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Sneak attack on the people

In its six years of incubation, this corporate deal has been kept behind doors that have been locked, bolted shut, sealed in plastic wrap, and shrouded in a dense fog of official secrecy.

And the people are not the only ones kept in the dark. Just for fun, ask your own personal congress critter what the TPP is and what's in it. Chances are you'll get a blank stare, for even our lawmakers have been denied "permission" simply to attend the negotiations as observers—until last June, they were not even allowed to see the drafts of rules that are being considered. As for the public and the press, it's only because of leaks from appalled negotiators and the determined digging of public interest advocates that we know anything about the Trans-Pacific Partnership's threat to our democratic rights.

Not every outsider has been denied access, however. Top executives, lawyers, and lobbyists of 500-some major corporations who serve on 16 Industry Trade Advisory Committees *do* have access to the secret texts and to the negotiators themselves. They get to review and amend official proposals, submit their own drafts, and generally look after their own very special interests.

But now, finally, We the People get to play—and we have an ace card called "Fast Track." Before the TPP cabal of Barack Obama, Mitch McConnell, John Boehner, and their front line of fat-cat corporate lobbyists can even submit the substance of this anti-democratic coup to Congress, they must first get more than half of the members of the House and Senate to do something extraordinary: Surrender Congress' *exclusive* constitutional authority (and responsibility) over US trade policy to Obama:

This Fast Track procedure is nothing but a railroad job, first laid down by Richard Nixon in 1973. Once Congress passes fast-track authorization, it lets the White House unilaterally launch negotiations, set the agreement terms, and sign onto a trade deal—all before Congress even gets to vote on the pact itself. Then the White House writes legislation conforming wide swaths of America's laws to the deal. This legislation is then sent to Congress, bypassing congressional committees entirely; it must be voted on within 90 days, with minimal debate and no possibility of a filibuster. Members cannot offer any amendments to the complex proposals in this thick document—they get only a single yes or no vote on the total package.

It's a super-slick plan, and the full corporate-financial-political establishment is behind it, knowing that Fast Track is the only way that TPP can become the law of our land. But the elite power players forgot one very sticky factor: You and me.

Throw the book at the TPP

SEVERAL OF THE CLEAREST-WRITTEN, most useful sources for explaining the Trans-Pacific Partnership and its effects on each of us are the fact sheets prepared by the Communication Workers of America. This information includes specifics about what TPP will do to everything from our jobs to our sovereignty—and what it will mean to groups of people from retirees to the young. You can download the fact sheets at www.stopthetpp.org. Not only will these materials educate you, they are also terrific resources for helping to spread the word.

Stopping the scam

Polls show that whenever the people get a whiff of this betrayal, the overwhelming majority not only oppose it, but howl in outrage. Polls, however, won't defeat it. Only by joining hands, standing up, speaking out, and otherwise getting in the face of power will the people overcome TPP's would-be plutocracy.

Now here's the good news: Thanks to a broad and well-organized coalition of dozens of grassroots organizations and just plain mad-as-hell folks, We the People are already strategizing, organizing, and mobilizing to stop this highballing scam right in its Fast Tracks.

Led by such experienced and savvy pro-democracy fighters as the Communications Workers of America, Public Citizen, and the Sierra Club, a **Stop Fast Track** coalition is demanding that Congress just say no when the White House tries to get lawmakers to okay the Fast Track process this year. On the right, grassroots conservative groups are also mobilizing against it.

This trans-Pacific snow job will melt if Congress refuses to give up its constitutional responsibility and have a full and lengthy public debate about its terms. Leaders of all 12 countries know that a public airing of their handiwork will spark a public revolt against the agreement that they secretly negotiated.

With many House Democrats already committed to "no" on TPP's corporate usurpation of our people's sovereign rights, and with a chunk of GOP members already loath to give Obama any unilateral executive power, it's quite possible for our voices to make a difference on the Fast Track vote.

Again, this is not a decision about trade—the TPP represents a tectonic shift in public policy that would radically alter the fundamental structure of our society and thrust a global corporate plutocracy on us. Shouldn't we have something to say about that?

The vote is expected as soon as March. For some ways to weigh in, check our *Do Something* box.